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CENTRAL INTELLIGENCE AGENCY

REPORT NO. [REDACTED]

INFORMATION REPORT

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SUPPLEMENT TO 25X1A
REPORT NO. [REDACTED]

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USIA Sales

1. USIA's present policy to restrict raw material stocks held at USIA-controlled firms to a three-months' supply and to require immediate sale of all surplus material stocks has brought an increasing number of protests from USIA firm managers, who have already received or anticipate long-range non-USIA production orders. Although USIA seems to be handling its sales program with some caution, as a result of recent newspaper publicity given to its dismantlings and sales, USIA-controlled firms continue to release surplus materials for sale. Recently, Austro-Fiat, Draeger G.m.b.H., and Peter Ginzler, have compiled lists of raw and semi-finished materials which will be sold by Avtovelo's Sales and Purchasing Office. Kromag A.G. is now selling 460 tons of narrow-gauge railroad equipment (Feldbahnmaterial) valued at 130,000 schillings for 300,000 schillings; 10.5 tons of raw materials used for wine presses valued at 104,000 schillings for 115,000 schillings, and 34 tons of raw materials for draw benches, estimated value 140,000 schillings, for 150,000 schillings.

USIA Purchases

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2. [REDACTED]

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3. USIA is negotiating through an intermediary, Dr. WAGNER of Linz, for the purchase of 1,400 tons of structural steel from the United Iron and Steel Works, Linz.* WAGNER has allegedly agreed to deliver 250 tons of steel per month for 2,200 schillings per ton. At the same time, USIA is trying to purchase a considerable amount of corrugated sheet iron from Alpine Montzgesellschaft. SIDOROV, Director of USIA's Construction and Building Materials Administration, has already persuaded TIKHOMIROV, General Director of USIA, to advance schilling credits for both of these purchases which will be used to build 300 sheds recently ordered by Metal Import, Moscow.** If these transactions are completed, USIA will accept delivery at the Inzersdorf railroad station.

Scrap

4. According to reports from so-called eye-witnesses, several carloads of iron and steel materials are still stored in a former German underground ball bearing factory at Loosdorf near Melk, which the Soviets have not attempted to recover to date.

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* [REDACTED] Comment: Probably WAGNER of Mitterbacher & Wagner OHG. Betriebsstaette, Linz.

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** [REDACTED] Comment: This USIA order was described in [REDACTED]

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